

**MINUTES**  
**SPECIAL SESSION ON OFF-STREET PARKING COMMITTEE RECOMMENDATIONS**  
**AND**  
**DISCUSSION OF FINANCING METHODS FOR CAPITAL PROJECTS**  
**April 4, 2006 – 6:00 P.M.**

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The Mayor and City Council held a special meeting to discuss recommendation from the Off-Street Parking Committee, on April 4, 2006 in the Council Chambers with the following present: Mayor Robert Mullinax, Council Members Wayne Dellinger, Tom Rowe, Anne Stedman, Al Gaither, Tom Dixon, Mayor Pro Tem Roy Johnson, City Manager Ed Burchins, Glenn J. Pattishall, Planning Director, Larry Pitts, City Attorney, and City Clerk Beunice "Bootsie" Roberts.

Mayor Mullinax reconvened the March 22, 2006 meeting and called to order the Work Session on the recommendations of the Off-Street Parking Committee and to discuss the financing methods for Capital Projects. Mayor Mullinax welcomed everyone to the meeting.

Mr. Pattishall stated that the annual lease cost to the City for the four lots is \$5,025 and the projected annual revenues based upon current leases would be \$5,025 for the year, for a net of \$15.

The lots in question are located at the corner of North College Avenue and East 2<sup>nd</sup> Street; the corner of North Main Avenue and East 2<sup>nd</sup>; the corner of North Brady Avenue and East 2<sup>nd</sup> Street; and at the corner of South College Avenue and East A. Street.

Council Member Dellinger stated that the merchants were the biggest problems for the parking situation. He stated that the merchants park on the streets in front of their store fronts which take away from the customers having a place to park.

A lengthy discussion was held on recommendations submitted by the Off-Street Parking Committee and further comments from the Mayor and Council on restructuring the permit fees, the enforcement and the times for enforcement, and when the permit fees would go into effect. The staff and Council stated that it was not about making money on the lots, but it was about parking spaces for the customers.

A motion was made by Council Member Dellinger, seconded by Council Member Dixon and unanimously approved to restructure the lease permit fees for the four parking lots in downtown Newton for the next six months, effective May 1, 2006. After the six month period ends, the Mayor and City Council will review the results of the new changes. The new lease permit fees are as follows:

- |    |   |      |
|----|---|------|
| 1. | parking lot at the corner of North College Avenue and East 2 <sup>nd</sup> Street | \$10 |
| 2. | parking lot at the corner of North Main Avenue and East 2 <sup>nd</sup> Street    | \$15 |
| 3. | parking lot at the corner of North Brady Avenue and East 2 <sup>nd</sup> Street   | \$15 |
| 4. | parking lot at the corner of South College Avenue and East A. Street              | \$10 |

A motion was made by Council Member Stedman, seconded by Mayor Pro Tem Johnson and unanimously approved to change the on-street parking time from 9:00 a.m. to 5:00 p.m. to 8:00 a.m. to 5:00 p.m.

On-street parking violators will continue to be fined \$5.00. Violators parking in reserved spaces without permits, will be fined \$10.00.

Council Member Gaither stated that our goal is to provide adequate parking downtown for the customers who might buy something downtown.

Council Member Dellinger stated that the Off-Street Parking Committee felt very strongly in what they recommended and felt that something needed to be done.

Council Member Gaither recommended that the Off-Street Parking Committee let the merchants and others know who they are.

Council Member Stedman suggested that a member of the Downtown Newton Development Association be appointed to serve on the Off-Street Parking Committee. The Council by consensus agreed to appoint a member of the DNDA to the Off-Street Parking Committee.

### **Discussion of Financing Methods for Capital Projects**

City Manager Burchins gave a brief overview of the cash management for the City and reviewed a list of projects which the Council has approved and how they are funded.

City Manager Burchins requested that the City Council consider borrowing the funds since the interest rates are low and the savings from project not implemented can be saved and invested.

After a brief discussion as to how the borrowing would affect the City's borrowing power, penalties, and approvals of this process from state and local government officials, the Council requested further discussion on the matter during the regular Council meeting.

There being no further business to discuss, the meeting was adjourned.

Respectfully submitted by:

Robert A. Mullinax, Mayor

Beunice R. Roberts, City Clerk

## **MINUTES** **APRIL 4, 2006** **REGULAR MEETING – CITY COUNCIL – CITY OF NEWTON**

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The Mayor and City Council held a regular meeting at 7:00 p.m. on Tuesday, April 4, 2006 in the Council Chambers at City Hall with the following present: Mayor Robert Mullinax, Council Members Wayne Dellinger, Tom Rowe, Anne Stedman, Al Gaither, Tom Dixon, Mayor Pro Tem Roy Johnson, City Attorney Larry Pitts, City Manager Ed Burchins, Assistant City Manager Glenn J. Pattishall, and City Clerk Beunice "Bootsie" Roberts.

**Item 1**      **Call to Order:**  
Mayor Mullinax called the meeting to order and welcomed citizens in the audience.

**Item 2**      **Opening – Glenn J. Pattishall, Planning Director/Assistant City Manager**  
Glenn J. Pattishall gave the invocation and led the Pledge of Allegiance.

**Item 3**      **Approval of minutes of the March 22, 2006 Work Session with the Youth Council and the March 22, 2006 regular meeting**  
A motion was made by Mayor Pro Tem Johnson, seconded by Council Member Stedman, and unanimously adopted that the minutes of the March 22, 2006 Work Session with the Youth Council and the March 22, 2006 regular minutes be approved as submitted.

**Item 4****Consideration of Approval of Consent Agenda Item:**

A motion was made by Mayor Pro Tem Johnson, seconded by Council Member Dixon, and unanimously adopted that the following items on the Consent Agenda be approved.

**A. Sewer Adjustments for March 2006**

Account Number	Name	Service Address	Adjustment Period	Amount of Adjustment
21001420	Robert Howery	130 Pinehurst	Nov., Dec. Jan.	\$ 38.36

**Item 5****Comments from the public: (Persons wanting to make a public comment on non-agenda items are requested to sign in with the City Clerk prior to the meeting.)**

None appeared to speak.

**Item 6****Old Business:****A. Public Hearing on awarding a financing bid for making application for \$4,000,000 worth of city projects**

Mayor Mullinax announced that this was the hour and day of the public hearing on financing for various capital projects during fiscal year 2005-2006 for an amount not to exceed \$4,000,000 at a stated interest rate not to exceed 3.91%

Mayor Mullinax acknowledged due publication of a notice of public hearing in a newspaper with a general circulation in said City as required by the Act and directed the City Clerk to attach the affidavit showing publication in said paper as Exhibit A hereto.

Mayor Mullinax then announced that the City Council would immediately hear anyone who might wish to be heard on the financing as so described.

No citizen appeared to speak.

The public hearing was closed.

City Manager Burchins stated that the borrowing and fund balance sheet showed the current low Interest rates for borrowing and investing as well as the impact borrowing would have on the fund balance.

A brief discussion occurred with Council Member Dellinger opposing the requested method of funding the projects.

Council Member Dellinger stated that the Council really needed to look at the borrowing. He felt that this amount of money should be considered for a bond referendum so the people could speak and vote.

Council Member Stedman asked how the borrowing would affect the city's borrowing power for future projects.

City Manager Burchins stated that the LGC (Local Government Commission) sets the debt capacity for municipalities and the city's debt capacity is \$70,000,000 in the general fund. He stated that

based on the City's longevity, that the LGC has approved the borrowing and will protect our future general fund balance.

City Manager Burchins stated that the LGC will let us know when we need to consider an alternative method than borrowing.

City Manager Burchins stated that the City could set aside funds for investing and fund the projects through borrowed funds.

City Manager Burchins reported that the staff recommended that the City Council award BB&T Craggier Governmental Finance the bid to provide the requested funding and adopt the following resolution and the Council did so five to one.

Thereupon, Council Member Dixon introduced the following resolution the title of which was read and copies of which had been distributed to each Council Member:

#### **RESOLUTION #4a-2006**

#### **RESOLUTION ACCEPTING THE PROPOSAL OF BRANCH BANK & TRUST COMPANY IN CONNECTION WITH AN INSTALLMENT FINANCING FOR SWIMMING POOL REPAIRS AND UPGRADE, PARK, WATER AND SEWER EXTENSION, ELECTRICAL SYSTEM IMPROVEMENTS AND VARIOUS EQUIPMENT.**

WHEREAS, the City of Newton, North Carolina (the "City") intends to enter into an installment financing agreement pursuant to Section 160A-20 of the General Statutes of North Carolina for the purpose of financing the purpose of providing funds, together with any other available funds, to pay the costs of repairing and upgrading the City swimming pool; engineering, design and construction of Eastmont Culvert, Smyre Farm Road water and sewer lines, Jacob Fork Park, and Electric System Improvement; and engineering, design and acquisition and installation of three (3) Standby/Peaking Generators (the "Project"); and

WHEREAS, the City has solicited proposals from banks to provide the financing for the Project; and

WHEREAS, upon careful review and consideration of the proposals submitted by banks to provide such financing, the City desires to accept the proposal of Branch Bank & Trust Company (the "Bank"); NOW, THEREFORE, BE IT RESOLVED by the City Council (the "City Council") of the City of Newton, North Carolina (the "City") as follows:

Section 1. The proposal of the Bank to provide financing through an installment financing agreement in the principal amount not to exceed of \$4,000,000 for the purpose of providing funds to pay the costs of the Project is hereby accepted, subject to further approval of the particular documentation related thereto by the City Council.

Section 2. The City Manager and the Finance Director of the City are each hereby authorized and directed to execute and deliver such documentation as may be necessary to accept the proposal of the Bank.

Section 3. This resolution shall take effect immediately upon its passage.

Upon motion of Council Member Al Gaither, seconded by Council Member Anne Stedman, the foregoing resolution was adopted by the following vote:

Ayes: Council Members Al Gaither, Roy Johnson, Tom Rowe, Tom Dixon, and Anne Stedman.

Noes: Council Member Wayne Dellinger

Thereupon, Council Member Roy Johnson introduced the following resolution the title of which was read and copies of which had been previously distributed to each Council Member:

#### **RESOLUTION #4b-2006**

#### **RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF SWIMMING POOL REPAIRS AND UPGRADE, PARK, WATER AND SEWER EXTENSION, ELECTRICAL SYSTEM IMPROVEMENTS AND VARIOUS EQUIPMENT PURSUANT TO AN INSTALLMENT FINANCING, REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINANCING AGREEMENT AND RELATED DOCUMENTS IN CONNECTION THEREWITH**

BE IT RESOLVED by the City Council (the "City Council") of the City of Newton, North Carolina (the "City ") as follows:

Section 1. The City Council does hereby find and determine as follows:

(a) There exists in the City a need to repair and upgrade the City swimming pool; engineering, design and construction of Eastmont Culvert, Smyre Farm Road water and sewer lines, Jacob Fork Park, and Electric System Improvement; and engineering, design and acquisition and installation of three (3) Standby/Peaking Generators (the "Project").

(b) In order to pay the costs of the Project and to pay certain other costs associated with the Project, the City Council has determined to enter into an installment financing agreement (the "Agreement") with Branch Bank & Trust Company (the "Bank"), pursuant to which the Bank will advance the City an amount not to exceed \$4,000,000, which will be sufficient to pay the cost of financing the Project, and the City will repay the advancement in installments, with interest (the "Installment Payments"). In order to secure such payments, the Agreement will provide for a lien on or security interest in all or a portion of the Project being financed.

(c) It is in the best interest of the City to enter into the Agreement in that such plan of finance will result in providing financing for the Project in an efficient and cost effective manner.

(d) Entering into the Agreement is preferable to a general obligation bond and revenue bond issue in that (i) the City does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the City has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the Project without an election; (ii) the amount of financing does not justify the use of revenue bonds to finance the Project; (iii) the cost of the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence construction of the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of construction of the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the Project would be approved by the voters and the necessity of the Project dictates that the Project be financed by a method that assures that the Project will be constructed in an expedient manner.

(e) Based upon information provided to the City Council, the costs of the financing described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the City Council.

(f) Counsel to the City will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(g) The debt management policies of the City have been carried out in strict compliance with law, and the City is not in default under any obligation for repayment of borrowed money.

(h) No tax rate increase is anticipated to be necessary to pay the Installment Payments.

(i) There has been presented to the City Council at this meeting a draft of the Agreement.

Section 2. The City Council hereby authorizes, ratifies and approves the filing of an application with the Local Government Commission for approval of the Agreement and requests the Local Government Commission to approve the Agreement and the proposed financing and in connection therewith.

Section 3. In order to provide for the financing of the Project, the City is hereby authorized to enter into the Agreement to receive advancement in installments pursuant thereto in a principal amount not to exceed \$4,000,000. The City shall repay the advancement in installments due in the amounts and times set forth in the Agreement. The payment of Installment Payments shall be designated as principal and interest as provided in the Agreement.

Section 4. The City Council hereby approves the forms of the Agreement in substantially the form presented at this meeting. The Mayor, City Manager and Finance Director are each hereby authorized to execute and deliver on behalf of the City each of said documents in substantially the forms presented at this meeting, containing such insertions, deletions and filling in of blanks as the person executing such documents shall approve, such execution to be conclusive evidence of approval by the City Council of any such changes.

The Clerk or any Assistant or Deputy Clerk is hereby authorized to affix the official seal of the City to each of said documents and to attest the same to the extent required.

Section 5. No deficiency judgment may be rendered against the City in any action for breach of any contractual obligation under the Agreement, and the taxing power of the City is not and may not be pledged directly or indirectly to secure any moneys due under the Agreement.

Section 6. The Mayor of the City Council, the City Manager, the Finance Director and the City Clerk of the City, and any other officers, agents and employees of the City are hereby authorized and directed to deliver such certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described above.

Section 7. This resolution shall take effect immediately upon its passage.

Upon motion of Council Member Anne Stedman, seconded by Council Member Al Gaither, the foregoing resolution entitled

#### **RESOLUTION #4c-2006**

**“RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF SWIMMING POOL REPAIRS AND UPGRADE, PARK, WATER AND SEWER EXTENSION, ELECTRICAL SYSTEM IMPROVEMENTS AND VARIOUS EQUIPMENT PURSUANT TO AN INSTALLMENT FINANCING, REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINANCING AGREEMENT AND RELATED DOCUMENTS IN CONNECTION THEREWITH” was passed by the following vote:**

Ayes: Council Members Roy Johnson, Al Gaither, Tom Dixon, Tom Rowe, and Anne Stedman

Noes: Council Member Wayne Dellinger

\* \* \* \* \*

I, Beunice R. Roberts, City Clerk of the City of Newton, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City, at a regular meeting held on April 4, 2006, as it relates in any way to the holding of a public hearing upon an installment financing agreement and the passage of the foregoing resolutions regarding entering into an installment financing agreement to finance the purpose of providing funds, together with any other available funds, to pay the costs of repairing and upgrading the City swimming pool; engineering, design and construction of Eastmont

Culvert, Smyre Farm Road water and sewer lines, Jacob Fork Park, and Electric System Improvement; and engineering, design and acquisition and installation of three (3) Standby/Peaking Generators (the "Project"); and that said proceedings are recorded in the minutes of said City Council.

I DO HEREBY FURTHER CERTIFY that a schedule of the regular meetings of said City Council, stating that the regular meetings of said City Council are held on the first Tuesday and third Wednesday of each month at 7:00 p.m. in the City Council Chambers at the City Hall in Newton, North Carolina, has been on file with me for at least seven calendar days prior to said meeting, all in accordance with Section 143-318.12 of the General Statutes of North Carolina.

WITNESS my hand and official seal of said City this 4th day of April, 2006.

Beunice R. Roberts  
City Clerk

City Manager Burchins reported that on March 13, 2006, bids were solicited for the funding of the said projects. Six financial institutions were solicited, five responded with quotations and one declined to quote.

City Manager Burchins reported that only three of the respondents met the bid specifications and they are as follows:

<b><u>Financial Institutions</u></b>	<b><u>Quoted interest rates</u></b>
BB & T Craigie Governmental Finance	3.91%
RBC Centura	4.03%
Sun Trust Bank	4.48%

City Manager Burchins reported that the staff recommended that the City Council award BB&T Craigie Governmental Finance the bid to provide the requested funding and adopt the following resolution with a motion by Council Member Rowe, seconded by Council Member Dixon, and unanimously approved.

**RESOLUTUION #5-2006**  
**Resolution Approving Financing Terms**

**WHEREAS:** The City of Newton, North Carolina (the "City") has previously determined to undertake a project for installment financing of swimming pool repairs and upgrades, Park, water and sewer extension, electrical system improvements and various equipment, and the Finance Director has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The City hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated March 21, 2006. The amount financed shall not exceed \$4,000,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.91%, and the financing term shall not exceed fifteen (15) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.
3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Director is authorized to approve changes to any Financing Documents

previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b) (3).

5. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this the 4<sup>th</sup> day of April, 2006.

Beunice R. Roberts, City Clerk

Robert A. Mullinax, Mayor

**Item 7:**        **New Business:**

- A.        Adopt resolution to proclaim April 2006 as "Child Abuse Prevention Month" – Recipient of the Resolution – Ms. Helen Brigham, member of the Children's Protection Council

A motion was made by Mayor Pro Tem Johnson, seconded by Council Member Dixon, and unanimously adopted to proclaim April as Child Abuse Prevention Month.

Mr. Helen Brigham, member of the Children's Protection Council, accepted the resolution on behalf of her Council.

**RESOLUTION #6-2006**  
**Child Abuse Prevention Month**

WHEREAS, child abuse is a community problem and finding solutions depends on involvement among people throughout the community; and

WHEREAS, approximately 3 million children are reported as abused and neglected in this country every year; and

WHEREAS, more than 100,000 children are reported as abused and neglected in North Carolina each year; and

WHEREAS, Catawba County Social Services investigated 1,909 cases of alleged child abuse and neglect involving 3,788 children in 2005, and 22 percent of these children were found to be in need of protection; and

WHEREAS, 174 children were interviewed at the Children's Advocacy Center in 2005 for allegations of child sexual abuse; and

WHEREAS, 31 children were victims of child abuse homicide in North Carolina during the year 2004; and

WHEREAS, the effects of child abuse are felt by whole communities, and need to be addressed by the entire community; and



WHEREAS, effective child abuse prevention programs succeed because of partnerships created among social service agencies, schools, religious and civic organizations, law enforcement agencies, Child Advocacy Centers, and the business community; and

WHEREAS, all citizens should become more aware of the negative effects of child abuse and its prevention within the community, and become involved in supporting parents to raise their children in a safe, nurturing environment.

NOW, THEREFORE WE, Mayor Robert A. Mullinax and the Newton City Council, do hereby proclaim April 2006, as "CHILD ABUSE PREVENTION MONTH" in the City of Newton, and call upon all citizens, community agencies, religious organizations, medical facilities, and businesses to increase their participation in our efforts to prevent child abuse, thereby strengthening the communities in which we live.

This the 4<sup>th</sup> day of April 2006.

Robert A. Mullinax, Mayor

**Item 8**      **City Manager's Report:**

City Manager Burchins stated that there was a non-agenda item concerning property owned by Energy United and related to the Energy United Waterline Project.

City Manager Burchins recommended that the Council accept the dedication of the property which houses the meter vault and meter which monitors the flow of water and is located on the Iredell County side of the river.

Marty Wilson, Director of Public Works and Public Utilities stated that this process was just a technicality.

A motion was made by Mayor Pro Tem Johnson, seconded by Council Member Dellinger, and unanimously adopted to approve the dedication of land owned by Energy United.

- A.      Announcement of the proposed Energy United Waterline Opening Ceremony date – April 27, 2006.

City Manager Burchins reported that the Energy United Waterline Opening Ceremony will be held on April 27, 2006 beginning at 10:00 a.m. at the City's Raw Water Intake facility located off of Hwy. 10 West. The ceremony will include tours of the facility, lunch, and another tour at Energy United's Lift station, where another ceremony will be held.

- B.      Schedule a work shop on the proposed City Personnel Policy (recommended from the 2006 Planning Work Shop)

City Manager Burchins requested that the Council schedule a work shop to discuss the proposed City Personnel Policy which was recommended during the annual Mayor and City Council Planning Work Shop in February and to discuss several legislative items.

Mayor Mullinax recessed the regular meeting until 6:00 p.m., April 19, 2006 for the requested work shop.

- C.      Discussion to establish a procedure to adopt the City Code

City Attorney Pitts recommended three different ways to address the city code and to adopt it.

Mayor Mullinax recommended that the staff highlight the changes that were made and present them to the Council for final review before adoption is made.

City Manager Burchins stated that the staff would highlight the changes and get them to the Council in a timely manner before adoption of the Code is officially made.

**Item 9.**        **Questions from Mayor and Council:**

- Mayor Mullinax invited the Council and people in the audience to the unveiling of the Sesquicentennial Town Clock which will be held on Thursday, April 6, 2006 at 12 Noon, near the YYY Parking Lot in downtown Newton.
- Council Member Dixon stated that he was pleased to see the improvements made at Jaycee Park, but was surprised to find out that the Prison System did the repairs. The repairs look great he further commented.
- Council Member Dixon complimented the Parks and Recreation Department for their efforts in sponsoring "Home Buying" workshops for the citizens of Newton.
- Council Member Dixon complimented the Council of Governments in their efforts to be diligent in their stand for the citizens of whom they work and help when it come to state issues.
- Council Member Gaither complimented the City staff for the improvements made at the weir. He stated that he was very proud of how it looks and wanted the staff to know.
- Mayor Pro Tem Johnson stated that the greenway looks nice too.
- Mayor Mullinax welcomed Boy Scout Troop #341 from St. Peter's Lutheran Church in Conover for attending the City of Newton Council meeting.

**Item 10.**        **Closed Session as allowed under G.S. 143-318.11 (a) (3)**

Mayor Mullinax stated that the Council needed to have a Closed Session as allowed under G.S. 143-318.11 (a) (3).

A motion was made by Council Member Rowe, seconded by Council Member Gaither, and unanimously adopted to go into Closed Session.

After the Closed Session, Mayor Mullinax called the Council meeting back into session and stated no action was to be taken on the matters discussed.

**Item 11.**        **Adjourn**

Mayor Mullinax recessed the regular meeting until 6:00 p.m., April 19, 2006.

Respectfully submitted,

Robert A. Mullinax, Mayor

Beunice R. Roberts, City Clerk

